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SUBJECT: Queensland Economy

MEMBER: Mr PEGG

### Queensland Economy

 **Mr PEGG** (Stretton—ALP) (12.10 pm): I rise to talk about an important topic of interest to all Queenslanders: the state of the economy. Earlier this year the Palaszczuk government implemented Advance Queensland, a \$180 million investment designed to strengthen innovation, diversify the Queensland economy and deliver knowledge-based jobs now and into the future. Additionally, on 4 June this year the Treasurer, the Hon. Curtis Pitt, handed down the 2015-16 state budget. It was a positive and progressive budget that put people before numbers whilst leaving the state in excellent financial health. I have to say that I have received very positive feedback from my electorate. Most recently the Palaszczuk government created the Queensland Productivity Commission to provide expert and independent advice to government on how to boost productivity and further drive growth in the Queensland economy. These are just a few of the things we have done to ensure Queensland has a modern and vibrant economy.

Let us compare this to the LNP's brief but eventful tenure as the custodians of Queensland in the last parliament. In 2012, after promising that nobody would be worse off, then premier Newman and the LNP implemented the most ruthless budget Queensland had seen for decades. Over 14,000 public servants were sacked, \$1.4 billion was—

**Mr HART:** Madam Deputy Speaker, the member is misleading the House and I will be writing to you about that.

**Madam DEPUTY SPEAKER** (Ms Farmer): Member for Stretton.

**Mr PEGG:** To clarify, Madam Deputy Speaker, I said 14,000. \$1.4 billion was wiped from the state's capital program, halting essential road and infrastructure upgrades. Also, let us not forget that the supposedly low-tax LNP increased taxes by \$600 million. Everyone knows that it was a truly heartless budget, but what many do not realise is how little it achieved, even on its own terms. This is where it gets very interesting. Let us look at the facts and see just what improvements 'Can-Do' Campbell and the LNP made to the economy during their reign.

In 2012 then premier Newman and the then treasurer, the member for Clayfield, promised that they would reduce government debt, move to restore Queensland's AAA credit rating and reduce unemployment to four per cent. This is what actually happened. Despite strident assurances, state government debt increased dramatically. It went from \$62.6 billion in 2011-12 to \$75.5 billion in 2014-15. That is a shockingly high increase in debt of over \$3 billion per year. I note that the member for Burleigh is not disputing that figure.

**Mr Hart** interjected.

**Mr PEGG:** I have some more figures for the member for Burleigh.

**Madam DEPUTY SPEAKER** (Ms Grace): Member for Burleigh, I think you have had some latitude.

**Mr PEGG:** Unemployment in Queensland skyrocketed from 5.7 per cent in early 2012 to 7.1 per cent in seasonally adjusted terms in October 2014.

**Mr Nicholls** interjected.

**Mr PEGG:** What a great achievement from the member for Clayfield!

**Madam DEPUTY SPEAKER:** Order! Member for Clayfield, it was not an invitation for you to take the place of the member for Burleigh.

**Mr Nicholls** interjected.

**Madam DEPUTY SPEAKER:** Member for Clayfield, order!

**Mr PEGG:** Fortunately, we have been able to address this gross mismanagement of the economy, and unemployment is now 6.2 per cent and declining.

During the LNP's time in power, Queensland's credit rating was actually downgraded or put on watch by all three credit-rating agencies: Standard & Poor's, Moody's and Fitch. The rating agencies were clearly signalling to the then government that the economic management had worsened under their leadership, but the LNP would not listen because they had complete faith in then premier Newman and his master plan.

By 2014 this Thatcherite shock therapy administered by the LNP to the people of Queensland had hurt many, but it failed to achieve any of its economic aims. It was then that the LNP desperately adopted its final plan, the so-called Strong Choices campaign—a last-ditch attempt to reduce debt through a fire sale of the state's prime silverware by liquidating \$37 billion in highly profitable state assets. Even then the LNP government could not keep its hands out of the cookie jar. Around \$8 billion from these sales was earmarked for a range of pork-barrelling and wild election promises—hardly a prudent and responsible approach to the economic management of Queensland.

Fortunately, the people of Queensland saw through this charade and since January 2015 we have been able to implement an operating surplus of \$1.2 billion in our first year, with the 2015-16 state budget, while reducing unemployment in Queensland by almost one per cent—without sacking anyone or selling government assets. I congratulate Treasurer Pitt on this outstanding result.

The LNP like to masquerade—

**Opposition members** interjected.

**Madam DEPUTY SPEAKER:** Order, members! The member has just a few seconds left. Can we please listen to him in silence. I am struggling to hear him.

**Mr PEGG:** Those opposite like to masquerade as the fiscally responsible party of government. As I have shown today, in their day they were the biggest spenders. I hope that today I have been able to set the economic record straight.

*(Time expired)*